



Water Management Policy

1. Introduction

Grand City Properties S.A. recognizes the importance of sustainable water use and has integrated improved water management at its operationally controlled and owned assets. This Water Management Policy (“**Policy**”) outlines Grand City Properties S.A.’s approach to water management in order better realize the environmental goals of the company. Grand City Properties S.A. strives to create a more sustainable portfolio of assets, including the sustainable use of water.

2. Objective

The Grand City Properties S.A.’s water management strategy aims to try, wherever feasible, to:

- **Monitor:** Adopt a comprehensive and integrated approach to hydraulic accounting.
- **Plan and Execute:** Sustainably utilize water resources by implementing water saving strategies and projects.
- **Train:** Increase understanding of water-related risks, their impacts, and preventative actions that can be taken.
- **Align and Report:** Align efforts with standards set at the EU and national levels as well as the UN SDGs.

3. Scope

This Policy applies to Grand City Properties S.A. its subsidiaries and affiliated companies (as defined in Section 15 of the German Stock Corporation Act) (the “**GCP Group**”) including all companies in which the GCP Group has direct shareholding (hereinafter, referred to as “**GCP**” or “**Group**” or “**we**” or “**Company**”). This Policy is designed to address water management within the Group and is applicable to assets owned and operationally controlled by the Group.

4. Water Management Procedure and Principles

Water monitoring and data collection is conducted in diverse ways within the GCP Group. For example, through an assortment of manual, semi- and automated water meter readings as well as invoice data collection, water usage information from Group assets is gathered and analyzed for reporting etc. More detailed information on data collection and analysis can be found in the [Environmental Data Gathering Methodology](#), located in the company-wide online database, authored by the Energy Department.



4.1. Water Quality

Maintaining water quality is an important aspect of ensuring the health and safety of tenants and visitors. In general, the Group aims to follow the legal water quality requirements and guidelines set out in those countries in which the company is operating. These regulations contain specifications to ensure the continued safe supply of drinking water.

4.2. Water Pollution

The assets in the GCP portfolio do not directly withdraw or discharge water from or to surface or groundwater bodies. Water is sourced from the local water utility and wastewater is discharged to the public sewer system. Pollution of local surface and groundwater systems as a result of GCP's operations is in general not of great concern.

4.3. Water Flow

General risk to Group assets, in the form of flooding, has been identified. The GCP Group is addressing flood risk through physical risk assessments and as part of the Company's climate adaptation strategy. This is managed by the Group's Taskforce on Building Resilience. It is the intent of the company to address flood risks and enhance natural drainage at vulnerable assets. The Group is also monitoring water stress and will implement water saving measures in the most affected areas as they arise.

5. Responsibilities

We expect each employee to contribute to the preservation of our environment and the achievement of our goals as defined in this Policy. The following is a framework of responsibilities that identifies who is responsible for different aspects of water management:

- 1) The responsibility for water management within the Company lies with GCP Management.
- 2) Orchestration and implementation are the responsibility of the GCP Group Water Specialist.
- 3) Execution responsibility for these actions sits with the Group's Asset/Property Managers.

Additional practical guidance is found in the Company's Water Management Procedure.

Each Property Manager is responsible for overseeing the sustainable and safe delivery of water into his or her assets and takes appropriate actions with the support of the Energy Department. The Company's Water Management Procedure additionally provides a clear overview of current water management procedures and expected future measures. Every employee or consultant who is commissioned to plan and implement environmental measures, new developments or capital measures, or other asset-related renovations ensures that the necessary efforts to implement environmental measures will be undertaken.

All water measures are to be done in conjunction with, and led solely by, GCP's Water Management Specialist.

6. Documentation

The Group-level water strategy applies to every operationally controlled and owned asset. At the end of each reporting period, Asset Managers, coordinated by the Asset Management COO, must provide information on all water monitoring activities conducted and water management projects and practices implemented.

The Company's Asset Management, Head of Energy Department and Head of Sustainability Department are responsible for the water strategy development, including this Policy.



7. Validity and Entry into Force

As the Policy is a living document, the content found within it may be subject to change as deemed appropriate during an annual review. In the event of any modifications, a new version will be presented and, once approved, published in the company-wide online database.

This Policy is considered final will come into force on **01.01.2024**. It replaces all previous guidelines and/or policies issued in this regard.

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** All documents are subjected to the appropriate frequency of version control and reviews. Updates and changes are documented on this page transparently and comprehensibly at all times. Required definitions and responsibilities are indicated where appropriate.*